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NEWS RELEASE

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**FOUR IMPLICATED IN SHIPMENT OF OVER 35 KILOGRAMS OF
COCAINE AND \$1.4 MILLION DRUG-RELATED CASH SEIZURE**

FRESNO--United States Attorney McGregor W. Scott, California Department of Justice, Director, Division of Law Enforcement Rick Oules, and Drug Enforcement Administration (DEA) Special Agent in Charge Javier F. Pena announced today that SERGIO REYNOL PADILLA, aka Sergio Reynol Padilla-Gonzalez, 39, LORENA PEREZ, 37, GERARDO VARGAS GALICIA, 37, all of Merced, California, and GILBERT FRANKLIN, 31, of Los Banos, California were indicted today in connection with a major cocaine distribution operation based in Merced.

The case was investigated by the California Department of Justice, Bureau of Narcotic Enforcement (BNE) and DEA.

According to the two-count federal indictment, the defendants are charged with conspiring to distribute and to possess with intent to distribute cocaine from February 9 to February 13, 2006. They are also charged with the possession of cocaine, and aiding and abetting its possession, during the same time frame. Both charges carry a mandatory minimum prison term of ten years, and a maximum prison term of life, along with a maximum fine of \$4 million. Due to a prior felony drug conviction, PADILLA is facing an enhanced sentence consisting of a mandatory minimum prison term of 20 years and a maximum prison term of life, along with a maximum fine of \$8 million dollars.

The case resulted in the seizure of over \$1.4 million in cash used to facilitate the drug conspiracy, and over 35 kilograms, or over 77 pounds of cocaine. The cash seizure is one of the largest ever made in the Eastern District of California, the federal judicial district which encompasses 34 counties reaching from the Oregon border in the north to Bakersfield in the south, from the coastal mountains in the west to the Nevada border in the east. The drug seizure is also believed to be one of the largest in this district in the past 15 years. The estimated street value of 35 kilograms of cocaine is between \$4 million and \$8 million dollars.

United States Attorney Scott stated, "The massive quantity of drugs seized in this case – 77 pounds of cocaine – constitutes a major disruption to illicit drug-trafficking in the Central Valley. The state and federal law enforcement agencies involved in this investigation are to be commended for their collaborative efforts in stemming the flow of drugs into our communities."

Director Oules stated, "We're delighted with the outcome of this investigation. Once again, we have demonstrated the value of task forcing and working together toward our common goals. This was a very dangerous organization, and we feel that their incarceration will deal a major blow to this criminal organization."

"DEA and BNE have a great working relationship that allows us to investigate and eventually arrest drug traffickers like Mr. Padilla and his associates. In terms of the quantity and street value of the drugs seized in this operation, this is definitely a big catch for us," stated SAC Pena.

According to Assistant United States Attorney Karen Escobar, who is prosecuting the case, the next court appearance in this matter is scheduled before United States Magistrate Judge Lawrence J. O'Neill in Fresno on Wednesday, March 1, 2006.